

H.R. 1 FINANCIAL CONFERENCE REPORT

11/21/03

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1 health market basket percentage increase
2 minus 0.8 percentage points; or".

3 **SEC. 702. DEMONSTRATION PROJECT TO CLARIFY THE**
4 **DEFINITION OF HOMEBOUND.**

5 (a) DEMONSTRATION PROJECT.—Not later than 180 days
6 after the date of the enactment of this Act, the Secretary shall
7 conduct a 2-year demonstration project under part B of title
8 XVIII of the Social Security Act under which medicare bene-
9 ficiaries with chronic conditions described in subsection (b) are
10 deemed to be homebound for purposes of receiving home health
11 services under the medicare program.

12 (b) MEDICARE BENEFICIARY DESCRIBED.—For purposes
13 of subsection (a), a medicare beneficiary is eligible to be
14 deemed to be homebound, without regard to the purpose, fre-
15 quency, or duration of absences from the home, if—

16 (1) the beneficiary has been certified by one physician
17 as an individual who has a permanent and severe, disabling
18 condition that is not expected to improve;

19 (2) the beneficiary is dependent upon assistance from
20 another individual with at least 3 out of the 5 activities of
21 daily living for the rest of the beneficiary's life;

22 (3) the beneficiary requires skilled nursing services for
23 the rest of the beneficiary's life and the skilled nursing is
24 more than medication management;

25 (4) an attendant is required to visit the beneficiary on
26 a daily basis to monitor and treat the beneficiary's medical
27 condition or to assist the beneficiary with activities of daily
28 living;

29 (5) the beneficiary requires technological assistance or
30 the assistance of another person to leave the home; and

31 (6) the beneficiary does not regularly work in a paid
32 position full-time or part-time outside the home.

33 (c) DEMONSTRATION PROJECT SITES.—The demonstra-
34 tion project established under this section shall be conducted in
35 3 States selected by the Secretary to represent the Northeast,
36 Midwest, and Western regions of the United States.

passed
House

220-215
11/22/03

passed
Senate

54-44

11/25/03

Signed into
law

12/8/03

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MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND
MODERNIZATION ACT OF 2003

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1 (d) LIMITATION ON NUMBER OF PARTICIPANTS.—The ag-
2 gregate number of such beneficiaries that may participate in
3 the project may not exceed 15,000.

4 (e) DATA.—The Secretary shall collect such data on the
5 demonstration project with respect to the provision of home
6 health services to medicare beneficiaries that relates to quality
7 of care, patient outcomes, and additional costs, if any, to the
8 medicare program.

9 (f) REPORT TO CONGRESS.—Not later than 1 year after
10 the date of the completion of the demonstration project under
11 this section, the Secretary shall submit to Congress a report on
12 the project using the data collected under subsection (e). The
13 report shall include the following:

14 (1) An examination of whether the provision of home
15 health services to medicare beneficiaries under the project
16 has had any of the following effects:

17 (A) Has adversely affected the provision of home
18 health services under the medicare program.

19 (B) Has directly caused an increase of expendi-
20 tures under the medicare program for the provision of
21 such services that is directly attributable to such clari-
22 fication.

23 (2) The specific data evidencing the amount of any in-
24 crease in expenditures that is directly attributable to the
25 demonstration project (expressed both in absolute dollar
26 terms and as a percentage) above expenditures that would
27 otherwise have been incurred for home health services
28 under the medicare program.

29 (3) Specific recommendations to exempt permanently
30 and severely disabled homebound beneficiaries from restric-
31 tions on the length, frequency, and purpose of their ab-
32 sences from the home to qualify for home health services
33 without incurring additional costs to the medicare program.

34 (g) WAIVER AUTHORITY.—The Secretary shall waive com-
35 pliance with the requirements of title XVIII of the Social Secu-
36 rity Act (42 U.S.C. 1395 et seq.) to such extent and for such

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1 period as the Secretary determines is necessary to conduct
2 demonstration projects.

3 (h) CONSTRUCTION.—Nothing in this section shall be con-
4 strued as waiving any applicable civil monetary penalty, crimi-
5 nal penalty, or other remedy available to the Secretary under
6 title XI or title XVIII of the Social Security Act for acts pro-
7 hibited under such titles, including penalties for false certifi-
8 cations for purposes of receipt of items or services under the
9 medicare program.

10 (i) AUTHORIZATION OF APPROPRIATIONS.—Payments for
11 the costs of carrying out the demonstration project under this
12 section shall be made from the Federal Supplementary Medical
13 Insurance Trust Fund under section 1841 of such Act (42
14 U.S.C. 1395t).

15 (j) DEFINITIONS.—In this section:

16 (1) MEDICARE BENEFICIARY.—The term “medicare
17 beneficiary” means an individual who is enrolled under part
18 B of title XVIII of the Social Security Act.

19 (2) HOME HEALTH SERVICES.—The term “home
20 health services” has the meaning given such term in section
21 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)).

22 (3) ACTIVITIES OF DAILY LIVING DEFINED.—The
23 term “activities of daily living” means eating, toileting,
24 transferring, bathing, and dressing.

25 **SEC. 703. DEMONSTRATION PROJECT FOR MEDICAL**
26 **ADULT DAY-CARE SERVICES.**

27 (a) ESTABLISHMENT.—Subject to the succeeding provi-
28 sions of this section, the Secretary shall establish a demonstra-
29 tion project (in this section referred to as the “demonstration
30 project”) under which the Secretary shall, as part of a plan of
31 an episode of care for home health services established for a
32 medicare beneficiary, permit a home health agency, directly or
33 under arrangements with a medical adult day-care facility, to
34 provide medical adult day-care services as a substitute for a
35 portion of home health services that would otherwise be pro-
36 vided in the beneficiary’s home.

37 (b) PAYMENT.—